

PRESS RELEASE

IGD S.p.A. Signing of agreement to create an multifunctional centre of excellence in Livorno and to acquire the relative commercial concerns, worth a total of approximately 80 million euros.

Igd S.p.A., a blue chip company operating in the retail real estate sector whose stocks are listed in the MIDEX division of the Italian Stock Exchange, resolved upon the setting up of a Newco whose purpose will be to develop a multifunctional centre of excellence in Livorno.

IGD will hold 80% of the capital of the new company, equal to 40 million euros, with the remaining 20% to be owned by Azimut Benetti, one of the leading players in the luxury yacht sector. IGD will also have the possibility of transferring 20% of its share to a financial partner.

The Newco will acquire the whole area known as "Porta a Mare" comprising the former Orlando boatyard complex, the former Lips areas, the former Spill area, the Medici Pier, the area around Via Calafati and the Dockyard, currently owned by STU Porta a Mare S.p.A.. Building permits related to the urbanisation works and properties under construction in this area have already been issued.

The works, set to take from between 5 to 7 years, involve restoration, demolition and reconstruction activities within an area measuring 70,616 m² to be used for commercial, tertiary, residential and hospitality purposes. Urbanisation works are scheduled to start by the end of the year. Construction and putting into operation will be split into stages in relation to project timeframes.

In order to obtain a first-class result in terms of environmental, architectural and engineering impact, the architectural design and image have been entrusted to Gabetti and Isola while the engineering firm of Cobolli Gigli is responsible for design activities related to the obtainment of permits and authorisation. Moreover, to this end, Azimut Benetti will upgrade some boatyards already present in the area. The General manager Advisor for the project will be Inpartner, a specialist in real estate development projects.

The construction of a tourist port, adjacent to the area, is planned at the same time as the Porta a Mare project, which will make a major contribution to project visibility.

Once the centre has been constructed, IGD will acquire and manage all the commercial concerns thanks to the preliminary agreement to be signed within the next 90 days, while the non-commercial areas will be sold to specialist operators and the retail market.

The aim of the IGD project will be to optimise the commercial offer while also providing new opportunities for local operators and services for the city. IGD's specific knowledge of the local market, acquired thanks to its ownership of "Le Fonti Del Corallo" shopping centre in Livorno, must be noted.



The overall development to be carried out by the Newco in the process of being set up, will be worth a total of approximately 200 million euros. While the investment needed to acquire the commercial concerns will be approximately 80 million euros.

Said investment fits into those contained in the 2008-2010 Business Plan presented last May and provides for an outlay of 8 million euros upon signing of the preliminary agreement. 80% of the remaining part of the 80 million euros of investment will be paid out as works progress and 10% upon completion of the project. The process of putting the centre into operation will be split into stages, the last of which will be completed by 2012.

As already promised to the financial community, this is one of those innovative commercial opportunities which outclasses the retail sector's traditional formats.

"This project, undertaken after in-depth study lasting more than two years with a first-class partner such is Azimut Benetti, allows us to coordinate development in order to further optimise the commercial area which continues to be our core business – stated Carbonari, CEO of IGD. Given that it is a wide-reaching project to create a multifunctional centre of excellence from a architectural viewpoint and in terms of environmental impact, it will also represent a great opportunity for operators and the local community. The performance of this key project – continued Carbonari – will also be possible thanks to the programme agreement among all the parties concerned, signed by the Council of Ministers. IGD is proud to be part of a team that will carry out this project after procedures lasting 20 years, and that will further enhance the value of Livorno".

IGD - Immobiliare Grande Distribuzione – S.p.A. is one of the main players in the Italian retail real estate sector. As 31 December 2006, the market value of its real estate assets equalled € 880.9 million. To date, the company portfolio comprises 9 shopping malls, 13 hypermarkets, and 2 plots for development. IGD S.p.A., offering retail operators an instrument to manage and make optimal use of real estate assets, also runs third party shopping malls.

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